No. 18-302

In the Supreme Court of the United States

ANDREI IANCU, UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR, PATENT AND TRADEMARK OFFICE,

Petitioner,

v.

ERIK BRUNETTI,

Respondent.

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF OF THE AMERICAN INTELLECTUAL PROPERTY LAW ASSOCIATION AS *AMICUS CURIAE* IN SUPPORT OF NEITHER PARTY

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QUESTION PRESENTED

Section 2(a) of the Lanham Act, 15 U.S.C. 1052(a), provides in pertinent part that a trademark shall be refused registration if it "[c]onsists of or comprises immoral * * * or scandalous matter." The question presented is as follows:

Whether Section 1052(a)'s prohibition on the federal registration of "immoral" or "scandalous" marks is facially invalid under the Free Speech Clause of the First Amendment.

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STATEMENT OF INTEREST

The American Intellectual Property Law Association ("AIPLA"),[1] which files this brief with the written consent of both parties,[2] is a national bar association of approximately 13,500 members engaged in private and corporate practice, government service, and academia. AIPLA's members represent a diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property. AIPLA's mission includes providing courts with objective analyses to promote an intellectual property system that stimulates and rewards invention, creativity, and investment while accommodating the public's interest in healthy competition, reasonable costs, and basic fairness. AIPLA has no stake in any of the parties to this liti-

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[1] In accordance with Supreme Court Rule 37.6, AIPLA states that this brief was not authored, in whole or in part, by counsel to a party, and that no monetary contribution to the preparation or submission of this brief was made by any person or entity other than AIPLA and its counsel. Specifically, after reasonable investigation, AIPLA believes that: (i) no member of its Board or Amicus Committee who voted to file this brief, or any attorney in the law firm or corporation of such a member, represents a party to the litigation in this matter; (ii) no representative of any party to this litigation participated in the authorship of this brief; and (iii) no one other than AIPLA, or its members who authored this brief and their law firms or employers, made a monetary contribution to the preparation or submission of this brief.

[2] Pursuant to Supreme Court Rule 37.3(a), AIPLA has obtained the consent of the parties to file this amicus brief.

gation or in the result of this case. AIPLA's only interest is in seeking correct and consistent interpretation of the law as it relates to intellectual property issues.

SUMMARY OF ARGUMENT

The court of appeals properly invalidated the Lanham Act's prohibition on the registration as a trademark or service mark of immoral and scandalous matter under the Free Speech Clause of the First Amendment. This is so for two reasons. First, the prohibition has a viewpoint-discriminatory effect because the government often has applied it in a manner dependent on the approval or disapproval of the expressive content of particular marks or of the businesses in which their owners are engaged. Second, even if the prohibition constitutes mere content discrimination, it cannot pass intermediate scrutiny under *Central Hudson Gas & Electric Corp. v. Public Service Comm'n of New York*, 447 U.S. 557 (1980).

ARGUMENT

I. BACKGROUND

As this Court properly has recognized, "[f]ederal registration . . . 'confers important legal rights and benefits on trademark owners who register their marks.'" *Matal v. Tam*, 137 S. Ct. 1744, 1753 (2017) (quoting *B & B Hardware, Inc. v. Hargis Indus.*, 135 S. Ct. 1293, 1299 (2015)). Nevertheless, the door to registration is not open to all marks. Instead Sections 2(a)-(e) of the Lanham Act, 15 U.S.C. § 1052(a)-(e), set forth a number of substantive grounds on which examiners within the U.S. Patent

and Trademark Office ("USPTO") must reject applications to register particular marks.[3]

Those substantive prohibitions include Section 2(a)'s bar on the registration of marks comprising "immoral . . . or scandalous matter." *Id.* § 1052(a). That prohibition originated in Section 5(a) of the Trademark Act of 1905, Pub. L. No. 489, 33 Stat. 724 (1905), which mandated the rejection of applications to register the same categories of applied-for marks. In 1946, Congress reenacted it as part of the Lanham Act, at which time Congress also adopted the prohibition on potentially disparaging marks invalidated by this Court in *Tam*.

In this case, the USPTO rejected Respondent's application to register the FUCT mark for various items of clothing as impermissibly scandalous, and the Trademark Trial and Appeal Board affirmed that refusal. As the Board summarized the record before it, "we have no doubt but that the word 'fuck' continues correctly to be characterized as 'offensive,' 'extremely offensive,' 'highly offensive,' 'intentionally offensive,' an 'obscenity,' 'vulgar slang,' the 'f-bomb,' and at the root of a number of other twisted and angry expressions." *In re Brunetti*, No. 85310960, 2014 WL 3976439, at *3 (T.T.A.B. Aug. 1, 2014) (footnote omitted), *rev'd*, 877 F.3d 1330 (Fed. Cir. 2017), *cert.*

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[3] In addition to the substantive prohibitions on registration set forth in Sections 2(a)-(e), USPTO examiners can reject applications failing to comply with various purely technical requirements. *See, e.g.*, *In re Anpath Grp.*, 95 U.S.P.Q.2d 1377 (T.T.A.B. 2010) (affirming refusal to register mark based on applicant's failure to submit adequate specimen demonstrating applicant's use of applied-for mark).

granted sub nom. Iancu v. Brunetti, No. 18-302, 2019 WL 98541 (U.S. Jan. 4, 2019). The court of appeals sustained that determination by the Board, but it held the statutory basis for the refusal of Respondent's application invalid under the First Amendment because "the provision impermissibly discriminates based on content in violation of the First Amendment." *In re Brunetti*, 877 F.3d 1330, 1341 (Fed. Cir. 2017), *cert. granted sub nom. Iancu v. Brunetti*, No. 18-302, 2019 WL 98541 (U.S. Jan. 4, 2019). The court of appeals additionally "question[ed] the viewpoint neutrality of the immoral or scandalous provision," *id.*; although the court ultimately did not resolve that issue, the parties addressed it at length at the petition stage, and the government's opening brief does the same.

II. PROHIBITION ON REGISTRATION OF IMMORAL OR SCANDALOUS MARKS VIOLATES FIRST AMENDMENT

The court of appeals properly recognized that this Court's decisions establish two categories of government restrictions on, or regulation of, protected speech: those that are content-based, on the one hand, and those that are viewpoint-based, on the other. It also properly recognized that the latter is a subcategory of the former and is highly disfavored under the First Amendment. *See generally Rosenberger v. Rector & Visitors of Univ. of Va.*, 515 U.S. 819, 829 (1995). Although AIPLA does not take a position on whether the USPTO correctly classified Respondent's mark as scandalous, it respectfully submits that the statutory prohibition triggered by that classification cannot survive First Amendment scrutiny, regardless of

whether the prohibition is viewpoint discriminatory or content discriminatory.

A. The Prohibition Is an Impermissible Viewpoint-Based Restriction

Applications of the prohibition on the registration of marks that are "scandalous" or "immoral" traditionally have not distinguished between the two concepts in any material way. *See, e.g.*, *In re McGinley*, 660 F.2d 481, 484 (C.C.P.A. 1981) ("Because of our holding . . . that appellant's mark is 'scandalous,' it is unnecessary to consider whether appellant's mark [also] is 'immoral.'"). Rather, "[a]lthough the words 'immoral' and 'scandalous' have slightly different connotations, case law has included immoral matter in the same category as scandalous matter." United States Patent and Trademark Office, *Trademark Manual of Examining Procedure* § 1203.01 (Oct. 2018); *see also McGinley*, 660 F.2d at 484 ("We note the dearth of reported trademark decisions in which the term 'immoral' has been directly applied.").

A two-step process governs evaluations of the degree of scandal attaching to a particular applied-for mark:

> The PTO must consider the mark in the context of the marketplace as applied to the goods described in the application for registration. [Second], whether the mark consists of or comprises scandalous matter must be determined from the standpoint of a substantial composite of the general public (although not necessarily a majority),

> and in the context of contemporary attitudes, keeping in mind changes in social mores and sensitivities.

In re Boulevard Entm't, Inc., 334 F.3d 1336, 1340 (Fed. Cir. 2003) (citation omitted).

Both before and after the development of this doctrinal test, applications of the prohibition on federal registration of scandalous marks have focused on the extent to which an applied-for mark is offensive.

For example, in *In re Riverbank Canning Co.*, 95 F.2d 327 (C.C.P.A. 1938), the Court of Customs and Patent Appeals equated "scandalous" with "offensive" and "giving offense" while affirming the denial of registration to MADONNA as a mark for wine under Section 5(a) of the 1905 Act. *Id.* at 328-29. In contrast, the Trademark Trial and Appeal Board has reversed a refusal to register WEEKEND SEX as a mark for a magazine after finding it "not so offensive to the public sense of propriety or morality as to preclude registration thereof under the provisions of Section 2(a)." *In re Madsen*, 180 U.S.P.Q. 334, 335 (T.T.A.B. 1973).[4] This equivalence of scandalousness

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[4] *See also In re Red Bull GmbH*, Serial No. 75788830, 78 U.S.P.Q.2d 1375, 1382 (T.T.A.B. 2006) (affirming refusal to register BULLSHIT mark for energy drinks because "the evidence of record is sufficient to establish prima facie that the term 'bullshit' is offensive to the conscience of a substantial composite of the general public"); *In re Wilcher Corp.*, 40 U.S.P.Q.2d 1929, 1933 (T.T.A.B. 1996) (affirming refusal to register mark consisting in part of stylized male genitalia after "ascrib[ing] offensive or vulgar significance to it"); *In re Old Glory Condom Corp.*, 26 U.S.P.Q.2d 1216, 1221 (T.T.A.B. 1993) (reversing refusal to register OLD GLORY CONDOM CORP mark for condoms after framing inquiry as "whether the mark is offensive or shocking");

and offensiveness is consistent with the statutory language because that equivalence was reflected in dictionary definitions extant at the time of the Lanham Act's passage. *See McGinley*, 660 F.2d at 486 (citing circa-1940s dictionary definitions equating "scandalous" with "offensive" in affirming refusal to register a mark comprising "a photograph of a nude man and woman kissing and embracing in a manner appearing to expose the male genitalia" for a newsletter).[5]

As the USPTO's treatment of Respondent's application in this case demonstrates, offensiveness is

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In re Leo Quan, Inc., 200 U.S.P.Q. 370, 371 (T.T.A.B. 1978) (reversing refusal to register BADASS mark for bridges for stringed instruments as "giv[ing] no offense to morality nor rais[ing] scandal"); *Bromberg v. Carmel Self Serv., Inc.*, 198 U.S.P.Q. 176, 178 (T.T.A.B. 1978) (defining "scandalous" by referring to in part as "that which offends established moral conception or disgraces all who are associated or involved"); *In re Runsdorf*, 171 U.S.P.Q. 443, 443 (T.T.A.B. 1971) (affirming refusal to register BUBBY TRAP mark for brassieres as "offensive to a segment of the public sense of proprietary or morality"); *In re Sociedade Agricola E. Comerical Dos Vinhos Messias, S.A.R.L.*, 159 U.S.P.Q. 275, 275 (T.T.A.B. 1968) (affirming refusal to register MESSIAS mark for wine and brandy as, *inter alia*, "offensive" and "giving offense to the conscience or moral feelings").

[5] *See also In re Hershey*, 6 U.S.P.Q.2d 1470, 1471 (T.T.A.B. 1988) (citing dictionary definitions equating "scandalous" with "offensive" in reversing refusal to register BIG PECKER mark for T-shirts); *In re Tinseltown, Inc.*, 212 U.S.P.Q. 863, 864 (T.T.A.B. 1981) (citing dictionary definitions in affirming refusal to register BULLSHIT mark for "accessories of a personal nature, and wearing apparel, namely: attache cases, handbags, purses, belts, and wallets" after finding it "comprises matter which gives offense to the conscious or moral feelings or is shocking to the sense of decency or propriety of a substantial composite of the general public of the United States").

not the only standard applied by the USPTO. Some reported opinions hold that "the PTO may prove scandalousness by establishing that a mark is 'vulgar,'" *In re Fox*, 702 F.3d 633, 635 (Fed. Cir. 2012).[6] Another has held that marks "shocking to the sense of propriety" qualify as scandalous, *Ex parte Martha Maid Mfg. Co.*, 37 U.S.P.Q. 156, 156 (Exam'r in Chief 1938), and the Trademark Trial and Appeal Board has refused registration of at least one mark other than Respondent's as "obscene." *See In re Luxuria, s.r.o.*, 100 U.S.P.Q.2d 1146, 1150 (T.T.A.B. 2011) (affirming refusal to register shape of "a bottle in the shape of a hand with middle finger extended upwards" for beer after finding "the evidence shows that the finger gesture that comprises applicant's mark is treated as obscene in general, not as offensive only to the person to whom it is directed").[7] The USPTO's treatment of Respondent's application is thus a representative example of the agency's varying standards in refusing applications on this basis.

Nevertheless, the pervasive focus on offensiveness as the primary benchmark in interpretations of the prohibition at issue places that prohibition

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[6] *See also In re Michalko*, 110 U.S.P.Q.2d 1949, 1951 (T.T.A.B. 2014) (affirming refusal to register ASSHOLE REPELLANT mark for a novelty aerosol product and observing that "[t]o prove that the mark . . . is scandalous, it is sufficient if the Examining Attorney shows that the term is vulgar").

[7] *But see Ex parte Parfum L'Orle, Inc.*, 93 U.S.P.Q. 481, 482 (Exam'r in Chief 1952) (reversing refusal to register ORGASM mark for perfume because "when used in ordinary writing or speech, particularly among the class of persons who would be apt to use such a word, it would be considered shocking or offensive, or obscene").

squarely within this Court's case law proscribing viewpoint-discriminatory government action. This is so because applications of the prohibition can and do vary with the government's views of the context in which an applied-for mark is used.

That variability was established under interpretations of Section 5(a) of the 1905 Act and is apparent in *Riverbank Canning*. The *Riverbank Canning* court did not affirm a refusal to register the MADONNA mark at issue in that case because the mark was itself immoral or scandalous *per se*. 95 F.2d at 328 ("Of course, the word 'Madonna' is not per se scandalous."). Instead, the word only became unregistrable when used as a trademark for wine. As the court explained, "we feel certain that its use upon wine for beverage purposes would be shocking to the sense of propriety of nearly all who do not use wine as a beverage, and also to many who do so use it; therefore, we think such use of the word 'Madonna' would be scandalous and its registration prohibited . . . ." *Id.* at 329. Other interpretations of Section 5(a) of the 1905 Act and Section 2(a) of the Lanham Act are to similar effect, namely, that the message conveyed by an applied-for mark may be benign and registrable in one context but scandalous and unregistrable in another.[8]

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[8] *See, e.g.*, *Boston Red Sox Baseball Club LP v. Sherman*, 88 U.S.P.Q.2d 1581, 1588 (T.T.A.B. 2008) (affirming refusal to register SEX ROD mark and observing that "the use of the term on children's and infant clothing makes the term particularly lurid and offensive"); *Sociedade Agricola E. Comerical Dos Vinhos Messias*, 159 U.S.P.Q. at 276 (affirming refusal to register MESSIAS (messiah) mark when used in connection with wine and brandy); *In re P.J. Valckenberg, GmbH.*, 122 U.S.P.Q. 334, 334-35 (T.T.A.B. 1959) (affirming refusal to register MADONNA

Moreover, the contrary also is true. An applied-for mark that might otherwise be scandalous *per se* when used in connection with particular goods can pass scrutiny under Section 2(a) when used with other goods. For example, in *In re Hepperle*, 175 U.S.P.Q. 512 (T.T.A.B. 1971), the USPTO initially refused an application to register the ACAPULCO GOLD mark based in part on the perception the mark was a commonly recognized reference to marijuana. Taking into account the goods sold under the mark, however, the Trademark Trial and Appeal Board held to the contrary that "in our opinion, to the average purchaser of suntan lotion in the normal marketing milieu for such goods the term 'ACAPULCO GOLD' would suggest the resort city of Acapulco, noted for its sunshine and climatic attributes rather than marijuana." *Id.* at 512.

Of greater consequence to the viewpoint-discriminatory effect of this prohibition on registration is *In re Old Glory Condom Corp.*, 26 U.S.P.Q.2d 1216 (T.T.A.B. 1993), in which the USPTO initially refused to register the following mark for condoms:

Although the Trademark Trial and Appeal Board ultimately reversed the refusal to register, a significant

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mark when used in connection with wine); *Martha Maid Mfg. Co.*, 37 U.S.P.Q. at 156 (affirming refusal to register QUEEN MARY mark for women's undergarments).

consideration underlying that outcome was the message conveyed by the applicant's marketing program:

> Here, applicant markets its condoms in packaging which emphasizes applicant's commitment to the sale of high quality condoms as a means of promoting safer sex and eliminating AIDS and its belief that the use of condoms is a patriotic act. . . . [T]he seriousness of purpose surrounding the use of applicant's mark — a seriousness of purpose made manifest to purchasers on the packaging for applicant's goods — is a factor to be taken into account in assessing whether the mark is offensive or shocking.

Id. at 1221.

The USPTO's practice of conditioning the registrability of marks on its approval of the mark owner's intended message[9] demonstrates that enforcement of the prohibition at issue can and sometimes does turn on "the specific motivating ideology or the opinion or perspective of the speaker." *Rosenberger*, 515 U.S. at 829. Whether the message is in the mark itself or elsewhere in the application's history,

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[9] An example of that practice working to the applicant's disadvantage appears in *In re Boulevard Entm't, Inc.*, No. 75414435, 2002 WL 1258274 (T.T.A.B. June 5, 2002), *aff'd*, 334 F.3d 1336 (Fed. Cir. 2003), in which the Trademark Trial and Appeal Board affirmed a Section 2(a)-based refusal to register because "[i]n [*Old Glory*] . . . , the Board pointed to the seriousness of purpose surrounding the use of applicant's mark as a campaign to prevent AIDS. Such a situation does not exist herein." *Id.* at *6.

government action such as this constitutes presumptively invalid viewpoint discrimination. *See id.* ("It is axiomatic that the government may not regulate speech based on its substantive content or the message it conveys."). For example, in *Tam*, all eight participating Justices of this Court concluded that the closely similar prohibition on the registration of potentially disparaging marks, 15 U.S.C. § 1052(a), constituted impermissible viewpoint discrimination. Justice Alito's four-Justice opinion noted, "[the prohibition] denies registration to any mark that is offensive to a substantial percentage of the members of any group. But in the sense relevant here, that is viewpoint discrimination: Giving offense is a viewpoint." 137 S. Ct. at 1763 (Alito, J.). Justice Kennedy's four-Justice opinion similarly concluded that "[t]he law . . . reflects the Government's disapproval of a subset of messages it finds offensive. This is the essence of viewpoint discrimination." *Id.* at 1766 (Kennedy, J.).

Although dividing the Court on a four-to-four basis, each of those opinions is consistent with this Court's broader First Amendment jurisprudence, which has at times applied an offensiveness-based standard to hold statutory limits on speech constitutionally infirm *per se*.[10] One of those opinions suggested that "viewpoint discrimination occurs when

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[10] For example, the invalidation of the municipal ordinance in *Coates v. City of Cincinnati*, 402 U.S. 611 (1971), did not turn on the city's targeting of only particular views on a particular subject; rather, that result held because the ordinance prohibited the assembly of individuals whose conduct was "annoying" to passers-by. *See id.* at 615 ("Our decisions establish that mere

the government intends to suppress a speaker's beliefs, but viewpoint discrimination need not take that form in every instance." *Tam*, 137 S. Ct. at 1766–67 (Kennedy, J.) (citation omitted)). There is no doubt, however, that restrictions triggered by the government's disapproval of the message conveyed by a mark only in certain contexts are disfavored and presumptively unconstitutional. In *Rosenberger*, this Court explained that:

> It is axiomatic that the government may not regulate speech based on its substantive content or the message it conveys. . . . When the government targets not subject matter, but particular views taken by speakers on a subject, the violation of the First Amendment is . . . blatant.

Rosenberger, 515 U.S. at 830; *see also Texas v. Johnson*, 491 U.S. 397, 414 (1989) ("If there is a bedrock principle underlying the First Amendment, it is that the government may not prohibit the expression of an idea simply because society finds the idea itself offensive or disagreeable.").

It is no answer, as the government suggests, that the refusal to register an applied-for mark does not affirmatively prohibit the mark's use. This Court has long held under the unconstitutional conditions doctrine that:

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public intolerance or animosity cannot be the basis for abridgment of these constitutional freedoms.").

> [E]ven though a person has no "right" to a valuable governmental benefit and even though the government may deny him the benefit for any number of reasons, there are some reasons upon which the government may not rely. It may not deny a benefit to a person on a basis that infringes his constitutionally protected interests—especially, his interest in freedom of speech.

Perry v. Sindermann, 408 U.S. 593, 597 (1972); *see also 44 Liquormart, Inc. v. Rhode Island*, 517 U.S. 484, 513 (1996) ("Even though the government is under no obligation to provide a person, or the public, a particular benefit, it does not follow that conferral of the benefit may be conditioned on the surrender of a constitutional right.").

The prohibition likewise cannot be justified as an exercise of Congress's plenary spending power. Although the government asserts the registration system reflects targeted subsidies of favored marks, Section 2's structure does not bear that theory out. Instead, Section 2's preamble provides that "[n]o [distinctive] trademark . . . shall be refused registration on the principal register on account of its nature unless," with the following subsections specifically excluding particular applied-for marks. This approach brings Section 2 squarely within the scope of this Court's past decisions disapproving of the extension of government benefits to a broad class of recipients but purposefully excepting certain categories of potential recipients. *See, e.g.*, *Ark. Writers' Project, Inc. v. Ragland*, 481 U.S. 221, 232-33 (1987) (invalidating

state sales tax scheme exempting newspapers and religious, professional, trade, and sports journals but taxing general interest magazines); *cf. Dept. of Agric. v. Moreno*, 413 U.S. 528, 533-38 (1973) (invalidating scheme of allocating benefits in light of impermissible legislative intent to burden class of recipients comprising suspected hippies). Of equal importance, because the USPTO's trademark-related operations are financed through user fees, applicants for registration receive only what they themselves pay for, and this Court has never extended the subsidy doctrine to situations not involving financial benefits. *See Autor v. Pritzker*, 740 F.3d 176, 183 (D.C. Cir. 2014).

The court of appeals therefore correctly questioned the validity of Section 2(a)'s viewpoint-discriminatory prohibition on the registration of immoral and scandalous marks, and this Court should answer that question by invalidating the prohibition.

B. Even If the Prohibition Is Merely a Content-Based Restriction, It Cannot Survive Scrutiny

Although the registration prohibition at issue is invalid as viewpoint-discriminatory, there are two additional reasons why this Court should affirm the court of appeals even if the prohibition constitutes mere content discrimination. First, the court of appeals properly recognized that this Court's opinion in *Central Hudson Gas & Electric Corp. v. Public Service Commission of New York*, 447 U.S. 557 (1980), provides the proper framework for evaluating the prohibition's constitutionality under a content-discrimination rubric. And, second, the court of appeals reached

the correct conclusion in an application of that framework. Be that as it may, it important to point out that the correctness of that conclusion does not call into question the validity of the remaining prohibitions in Section 2 under the First Amendment.

In *Central Hudson*, this Court held that the content-discriminatory regulation of commercial speech is subject to a lesser form of scrutiny (as opposed to the presumptive unconstitutionality of a viewpoint-discriminatory government action). Specifically, and assuming the speech in question concerns lawful activity and is not misleading, government action can survive First Amendment scrutiny if it reflects a substantial government interest, it directly advances that interest, and it is no more extensive than necessary. *Id.* at 566. Although neither the Court's opinion nor the two four-four opinions in *Tam* necessarily endorsed the application of *Central Hudson* to the trademark registration process, courts in addition to the court of appeals in this case routinely have invoked that case when weighing the constitutionality of content-based government restrictions on particular marks. *See, e.g., Bad Frog Brewery, Inc. v. N.Y. State Liquor Auth.*, 134 F.3d 87, 101 (2d Cir. 1998); *Sambo's Rests., Inc. v. City of Ann Arbor*, 663 F.2d 686, 694 (6th Cir. 1981); *Hornell Brewing Co. v. Brady*, 819 F. Supp. 1227, 1239 (E.D.N.Y. 1993).

With respect to the first step in the *Central Hudson* analysis, and as reflected in the history of the application for registration at issue, the classification of a mark as obscene will render the mark impermissibly immoral or scandalous. Nevertheless, the con-

verse is not true, because obscenity is not a prerequisite for a finding of immorality or scandal. *See McGinley*, 660 F.2d at 485 n.9 ("[T]he threshold for objectionable matter is lower for what can be described as 'scandalous' than for 'obscene' . . . ."); *see also Brunetti*, 877 F.3d at 1356 ("Despite the concurrence's suggestion to the contrary, none of the dictionary definitions cited define 'immoral' or 'scandalous' in sexual terms."). Likewise, although the USPTO has at times denied registrations to marks as both scandalous *and* likely to be confused with another party's prior-used mark, *see, e.g.*, *Greyhound Corp. v. Both Worlds Inc.*, 6 U.S.P.Q.2d 1635, 1638-39, 1641 (T.T.A.B. 1988), most Section 2(a)-based refusals historically have occurred on a standalone basis. Consequently, the marks underlying those refusals typically involve marks constituting neither unlawful nor misleading matter.

Nevertheless, as the court of appeals properly determined, Section 2(a)'s prohibition on the registration of immoral or scandalous matter cannot satisfy the remaining prongs of the *Central Hudson* analysis. Under that or other analyses, this Court routinely has held that "the fact that protected speech may be offensive to some does not justify its suppression." *Carey v. Population Servs. Int'l*, 431 U.S. 678, 701 (1977); *accord Bolger v. Youngs Drug Prods. Corp.*, 463 U.S. 60, 71 (1983); *see also Hustler Magazine, Inc. v. Falwell*, 485 U.S. 46, 55 (1988) ("[T]he fact that society may find speech offensive is not a sufficient reason for suppressing it." (quoting *FCC v. Pacifica Found.*, 438 U.S. 726, 755-56 (1978)); *Street v. New York*, 394 U.S. 576, 592, (1969) ("[T]he public expression of ideas may

not be prohibited merely because the ideas are themselves offensive to some of their hearers."). Whether phrased affirmatively (the promotion of *inoffensive* marks) or negatively (the discouragement of *offensive* ones) the prohibition at issue therefore does not reflect a cognizable substantial government purpose.

Indeed, the protection of the citizenry from offense is only a perceived government interest for trademarks. Congress allows registration of offensive copyright content and patents in other intellectual property legislation. As the court of appeals recognized, Section 2(a)'s treatment of allegedly offensive marks distinguishes the Lanham Act from the Copyright Act. *See Brunetti*, 877 F.3d at 1357 ("There are . . . a cadre of . . . offensive images and words that have secured copyright registration by the government. There are countless songs with vulgar lyrics, blasphemous images, scandalous books and paintings, all of which are potentially protectable under federal law. No doubt many works registered with the Copyright Office offend a substantial composite of the general public."). Likewise, the allegation that an otherwise patentable technology is harmful to public morality will not disqualify the technology from protection under patent law. *See, e.g.*, *Ex parte Murphy*, 200 U.S.P.Q. 801, 802-03 (Bd. Pat. App. 1977) (reversing refusal of utility patent application covering device used solely for gambling).

Moreover, even if limiting the public's exposure to the *use* of offensive marks did qualify as such a purpose, the prohibition on the *registration* of those marks would not directly advance that purpose. This

Court and others have recognized that "[w]ithout federal registration, a valid trademark may still be used in commerce." *Tam*, 137 S. Ct. at 1752; *see also McGinley*, 660 F.2d at 484 ("[T]he PTO's refusal to register [an applicant's] mark does not affect his right to use it. No conduct is proscribed, and no tangible form of expression is suppressed." (citation omitted)); *Fox*, 702 F.3d at 635 ("[A] refusal to register a mark has no bearing on the applicant's ability to use the mark . . . ."). The court of appeals therefore correctly held that the prohibition does not directly advance the government's asserted interest. *Brunetti*, 877 F.3d at 1353. Indeed, the prohibition arguably *undermines* the government's stated purpose by making it more difficult to challenge in litigation any infringing copies of the purported immoral or scandalous mark. Because the prohibition therefore does not reasonably "address the harm intended to be regulated," it fails this prong of *Central Hudson* as well. *44 Liquormart*, 517 U.S. at 529 .

Finally, as historically applied, the prohibition is not narrowly tailored. This Court previously has held that uncertain standards weigh against a determination that a statute is sufficiently specific to further a stated congressional goal. *See Reno v. ACLU*, 521 U.S. 844, 871 (1997). Here, the Court need not refer to the inconsistent treatments of applications to register similar marks identified by the court of appeals, *Brunetti*, 877 F.3d at 1353-54, to know that imprecise standards govern the inquiry into whether an applied-for mark is impermissibly immoral or scandalous. To the contrary, the USPTO itself has acknowledged that imprecision on multiple occasions. *See, e.g.*, *Hershey*, 6 U.S.P.Q.2d at 1471 ("[T]he . . .

guidelines are somewhat vague and . . . a determination that a mark is scandalous is necessarily a highly subjective one."); *accord In re In Over Our Heads Inc.*, 16 U.S.P.Q.2d 1653, 1654 (T.T.A.B. 1990).[11] The prohibition therefore is constitutionally infirm under the final *Central Hudson* factor as well.

This is not to say, however, that the invalidation of the prohibition at issue under an application of *Central Hudson* would mandate the same result with

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[11] Although it apparently has declined to accept Respondent's invitation to entertain a vagueness-based challenge to the prohibition in question, this Court has previously recognized that "[the] requirement of clarity in regulation is essential to the protections provided by the Due Process Clause of the Fifth Amendment," which "requires the invalidation of laws that are impermissibly vague." *FCC v. Fox Television Stations, Inc.*, 132 S. Ct. 2307, 2317 (2012). When, as in this case, content-based restrictions on speech are involved, "vagueness . . . raises special First Amendment concerns because of its obvious chilling effect on free speech." *Reno*, 521 U.S. at 871-72. If the vagueness of such a statute or regulation "threatens to inhibit the exercise of constitutionally protected rights . . . a more stringent vagueness test should apply." *Vill. of Hoffman Estates v. Flipside, Hoffman Estates, Inc.*, 455 U.S. 489, 499 (1982). A statute or regulation is impermissibly vague when it "fails to provide a person of ordinary intelligence fair notice of what is prohibited, or is so standardless that it authorizes or encourages seriously discriminatory enforcement." *FCC*, 132 S. Ct. at 2317 (quoting *United States v. Williams*, 553 U.S. 285, 304 (2008)); *see also Grayned v. City of Rockford*, 408 U.S. 104, 108-09 (1972) (to survive a vagueness challenge, a statute must "give the person of ordinary intelligence a reasonable opportunity to know what is prohibited" and "provide explicit standards for those who apply [it]" to prevent "arbitrary and discriminatory enforcement"). The ban on the registration of immoral and scandalous marks in Section 2(a) has both of these flaws. Its provisions are unclear and require subjective interpretation, and its application is often inconsistent.

respect to the remaining grounds for refusing applications under Sections 2(a)-(e) of the Lanham Act. For example, some prohibitions on registration address deceptive and misleading commercial speech and therefore do not qualify for First Amendment protection in the first place. *See Bolger*, 463 U.S. at 65 ("In light of the greater potential for deception or confusion in the context of certain advertising messages, content-based restrictions on commercial speech may be permissible." (citation omitted)). These include the bars on the registration of deceptive marks, 15 U.S.C. § 1052(a), deceptively misdescriptive marks lacking acquired distinctiveness, *id.* § 1052(e)(1), primarily geographically deceptively misdescriptive marks, *id.* § 1052(e)(3), and marks either falsely suggesting an association with a person or entity, *id.* § 1052(a), or likely to be confused with the marks of prior users, *id.* § 1052(d). They may also include Section 2(b)'s prohibition on the registration of "the flag or coat of arms or other insignia of the United States, or of any State or municipality, or of any foreign nation, or any simulation thereof." *Id.* § 1052(b).

Moreover, even if the court of appeals is correct that all prohibitions unrelated to an applied-for mark's source-identifying function constitute suspect content discrimination, *Brunetti*, 877 F.3d at 1349, that holding does not reach a number of content-based grounds for unregistrability that *do* have such a relation. These include the prohibitions on the registration of generic terms, merely descriptive marks lacking acquired distinctiveness, 15 U.S.C. § 1052(e)(1), primarily geographically descriptive marks lacking acquired distinctiveness, *id.* § 1052(e)(2), surnames lacking acquired distinctiveness, *id.* § 1052(e)(4), and

functional matter. *Id.* § 1052(e)(5). Future applicants might conceivably challenge these prohibitions as content-based and therefore subject to intermediate scrutiny under *Central Hudson*. The government, however, has a substantial interest in preventing the use of trademark law to acquire exclusive rights to claimed marks barred by these prohibitions. Indeed, that interest may have *constitutional* dimensions. *See Wilhelm Pudenz GmbH v. Littlefuse Inc.*, 177 F.3d 1204, 1208 (11th Cir. 1999) ("The functionality doctrine . . . eliminat[es] the possibility of a perpetual exclusive right to the utilitarian features of a product under trademark law, which would be impossible (as well as unconstitutional) under the Patent Act."); *Deckers Outdoor Corp. v. Ozwear Connection Pty Ltd.*, No. CV 14-2307 RSWL FFMX, 2014 WL 4679001, at *9 n.3 (C.D. Cal. Sept. 18, 2014) ("First Amendment issues could be triggered if a person is enjoined from using a generic . . . term . . . .").

Likewise, the remaining content-based prohibitions on registration set forth in Section 2 directly advance that substantial government interest. As this Court recognized in *Tam*, a federal registration on the USPTO's Principal Register is evidence of the registered mark's validity and of the registrant's ownership of it; such a registration also is necessary for certain remedies. *See generally Tam*, 137 S. Ct. at 1753. The refusal of an application to register a mark falling within those prohibitions therefore disadvantages any attempt by the applicant to claim exclusive rights to which it is not entitled. Finally, neither the doctrinal tests for those prohibitions nor applications of

those tests vary in such a manner as to call into question whether they are no more extensive than necessary.

III. CONCLUSION

Like the court of appeals, this Court should invalidate the Lanham Act's prohibition on the registration of immoral or scandalous marks as fatally inconsistent with the Free Speech Clause of the First Amendment. Such a disposition should not, however, disturb the remaining grounds for refusal of applications set forth in Sections 2(a)-(e) of the Act, which either address deceptive or misleading commercial speech and therefore are outside the ambit of First Amendment protection or, alternatively, are justifiable under the *Central Hudson* test.

Respectfully submitted,

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